

# House Study Bill 660

HOUSE FILE \_\_\_\_\_  
BY (PROPOSED COMMITTEE ON  
JUDICIARY BILL BY  
CHAIRPERSON SWAIM)

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

## A BILL FOR

1 An Act relating to scrap metal transactions, prohibiting certain  
2 sales, imposing criminal penalties, and providing an effective  
3 date.  
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:  
5 TLSB 6023HC 82  
6 tw/nh/5

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1 1 Section 1. NEW SECTION. 80.43 SCRAP METAL TRANSACTIONS  
1 2 AND REPORTING == PENALTIES.  
1 3 1. DEFINITIONS. For purposes of this section, and unless  
1 4 the context otherwise requires, the following definitions  
1 5 shall apply:  
1 6 a. "Scrap metal" means any of the following items where  
1 7 the item is the subject of a transaction in which the purchase  
1 8 price is based primarily on the value of the metal contained  
1 9 in the item:  
1 10 (1) Wire, cable, bars, ingots, wire scraps, pieces,  
1 11 pellets, clamps, aircraft parts, pipes, or connectors made  
1 12 from aluminum. For purposes of this subparagraph, "aluminum"  
1 13 does not include food or beverage containers.  
1 14 (2) Catalytic converters containing platinum, palladium,  
1 15 or rhodium.  
1 16 (3) Copper, titanium, tungsten, or nickel in any form.  
1 17 (4) Metal beer kegs.  
1 18 b. "Scrap metal dealer" means any person operating a  
1 19 business at a fixed location that is engaged in one of the  
1 20 following activities:  
1 21 (1) Buying, selling, procuring, collecting, gathering,  
1 22 soliciting, or dealing in scrap metal.  
1 23 (2) Operating, managing, or maintaining a scrap metal  
1 24 yard.  
1 25 c. "Scrap metal yard" means any yard, plot, space,  
1 26 enclosure, building, or other place where scrap metal is  
1 27 collected, gathered together, stored, or kept for shipment,  
1 28 sale, or transfer.  
1 29 2. INFORMATION AND IDENTIFICATION REQUIRED.  
1 30 a. A person shall not sell scrap metal to a scrap metal  
1 31 dealer in this state unless the person provides to the scrap  
1 32 metal dealer, at or before the time of sale, the person's  
1 33 name, address, and place of business, if any, and presents to  
1 34 the scrap metal dealer a valid driver's license or  
1 35 nonoperator's identification card.  
2 1 b. A scrap metal dealer shall not purchase scrap metal  
2 2 without demanding and receiving the information required by  
2 3 this subsection.  
2 4 3. REGISTER OF TRANSACTIONS. A scrap metal dealer shall  
2 5 keep a register or log of each transaction, including a record  
2 6 of the information required by subsection 2, a description of  
2 7 the item purchased, the price paid for the item, and a copy of  
2 8 the driver's license or nonoperator's identification card  
2 9 required pursuant to subsection 2. All records and  
2 10 information kept pursuant to this subsection shall be retained  
2 11 for at least two years, and a copy or computer printout of the  
2 12 information shall be furnished to a law enforcement agency  
2 13 upon request.  
2 14 4. PAYMENT AND REPORTS.  
2 15 a. A scrap metal dealer shall not provide payment to a  
2 16 person selling scrap metal at the time of the transaction if  
2 17 the transaction is for copper or aluminum wire with a diameter

2 18 of at least three-eighths of an inch or the value of the  
2 19 transaction is more than three hundred dollars. Payment shall  
2 20 instead be made by check or money order mailed to the person's  
2 21 permanent home or business address as provided to the scrap  
2 22 metal dealer pursuant to subsection 2.  
2 23 b. A scrap metal dealer mailing payment for a transaction  
2 24 pursuant to this subsection shall do both of the following:  
2 25 (1) File a report with the department of public safety  
2 26 noticing the receipt of the scrap metal. The report shall  
2 27 include the details from the register or log of the  
2 28 transaction required by subsection 3.  
2 29 (2) Keep the scrap metal received in the physical custody  
2 30 and control of the scrap metal dealer for at least seven days  
2 31 after filing the report.  
2 32 5. EXEMPTIONS. The following scrap metal transactions are  
2 33 exempt from the requirements of this section:  
2 34 a. Transactions in which the total sale price is fifty  
2 35 dollars or less, except transactions for the sale of catalytic  
3 1 converters.  
3 2 b. Transactions for the sale of catalytic converters in  
3 3 which the total sale price is thirty dollars or less.  
3 4 c. Transactions in which a scrap metal dealer is selling  
3 5 scrap metal.  
3 6 d. Transactions in which the person selling the scrap  
3 7 metal is known to the scrap metal dealer purchasing the scrap  
3 8 metal to be the officer, employee, or agent of an established  
3 9 business, operating from a fixed location, that may reasonably  
3 10 be expected to produce scrap metal during the operation of the  
3 11 business.  
3 12 6. CRIMINAL PENALTIES. A person who violates this section  
3 13 is guilty of a simple misdemeanor. However, a person who  
3 14 violates this section three or more times within a two-year  
3 15 period is guilty of a serious misdemeanor.  
3 16 Sec. 2. EFFECTIVE DATE. This Act, being deemed of  
3 17 immediate importance, takes effect upon enactment.  
3 18 EXPLANATION  
3 19 This bill relates to scrap metal sales.  
3 20 The bill prohibits persons from selling scrap metal to a  
3 21 scrap metal dealer without providing identification and  
3 22 certain information such as a permanent address.  
3 23 The bill prevents scrap metal dealers from making on the  
3 24 spot payment to persons selling scrap metal if the transaction  
3 25 is for more than \$300 or if it is for copper or aluminum wire  
3 26 three-eighths of an inch or more in size.  
3 27 The bill exempts certain transactions of small dollar  
3 28 amounts and transactions in which the person selling the scrap  
3 29 metal is a scrap metal dealer or in which the person selling  
3 30 is known to the scrap metal dealer as an established business  
3 31 that generates scrap metal.  
3 32 The bill requires scrap metal dealers to keep records of  
3 33 transactions for at least two years and to provide that  
3 34 information to law enforcement agencies upon request.  
3 35 The bill imposes criminal penalties for violations. A  
4 1 person who violates the Code chapter is guilty of a simple  
4 2 misdemeanor, and a person who does so three or more times in a  
4 3 two-year period is guilty of a serious misdemeanor.  
4 4 A simple misdemeanor is punishable by confinement for no  
4 5 more than 30 days or a fine of at least \$65 but not more than  
4 6 \$625 or by both.  
4 7 A serious misdemeanor is punishable by confinement for no  
4 8 more than one year and a fine of at least \$315 but not more  
4 9 than \$1,875.  
4 10 LSB 6023HC 82  
4 11 tw/nh/5